

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7619

Petition of National Mobile Communications,)
Inc., d/b/a Sovernet Communications, for)
designation as an Eligible Telecommunications)
Carrier in areas served by non-rural telephone)
companies under the Telecommunications Act of)
1996)

Order entered: 10/27/2011

ORDER RE COMPLIANCE FILINGS

I. INTRODUCTION

On April 15, 2011, the Public Service Board ("Board") issued an Order designating National Mobile Communications, Inc., d/b/a Sovernet Communications ("Sovernet"), an Eligible Telecommunications Carrier ("ETC") under 47 U.S.C. § 214(e) for a service area consisting of 92 wire centers in areas served by Vermont's non-rural telephone companies. In that Order, the Board imposed a number of conditions on the designation and directed Sovernet to make a number of compliance filings to fulfill those conditions. The required compliance filings consisted of: 1) a five-year plan demonstrating how high-cost universal service support will be used to improve Sovernet's coverage, service quality or capacity in every wire center for which it sought designation and expected to receive support; 2) Sovernet's disaster recovery plan; 3) an acknowledgment that Sovernet may be required to provide equal access if all other ETCs in the designated service area relinquish their designations; 4) a report describing the types of customer complaints that Sovernet tracks and how it tracks them in addition to network trouble report rates; and, 5) a plan that describes the marketing and outreach efforts Sovernet will utilize in advertising the availability of the Lifeline and Link-Up programs, and an explanation of how it will be effective in reaching eligible consumers. On June 14, 2011, Sovernet filed its compliance materials in response to the Board's April 15, 2011, Order.

No other party filed comments on Sovernet's compliance materials. Given the serious omission from Sovernet's marketing and outreach plan for the Lifeline and Link Up programs

described below and its potential impact on low-income Vermonters, we are particularly troubled by the lack of response from the office of the Public Advocate.

In this Order, we approve all of Sovernet's compliance filings with one exception. Sovernet's marketing and outreach plan for advertising the availability of the Lifeline and Link-Up programs must be amended to include advertising the availability of the two programs in media of general distribution throughout the ETC designation area to be compliant with our April 15, 2011, Order.

II. DISCUSSION

Our April 15, 2011, Order expressed concern over the lack of a specific commitment by Sovernet to advertise the availability of the Lifeline and Link-Up programs in media of general distribution throughout the area for which ETC designation was sought.¹ Accordingly, we required Sovernet to undertake such advertising as a condition of its ETC designation.² Sovernet's marketing and outreach plan does not comply with this condition of its designation. Rather, the plan states that Sovernet advertises its non-Lifeline and non-Link-Up residential services in media of general distribution throughout its ETC designated service area, and that it provides information on Lifeline and Link-Up directly to customers through its web page and notices on its bills.³ We are again concerned that Sovernet is overlooking its obligation to include these two important programs in its advertising activities. Low-income Vermonters, whom these two programs are intended to benefit, are the least likely to obtain information on the programs from Sovernet's website or from bill notices because they are the least likely to have internet service and therefore would not see Sovernet's website, or telephone service and therefore would not receive a notice in a Sovernet bill. This means that advertising the availability of these two programs in media of general distribution is critical because it represents the best opportunity for low-income Vermonters to receive this information.

1. Docket 7619, Order of 4/15/11 at 14-15.

2. Docket 7619, Order of 4/15/11 at 32.

3. *See*, Sovernet's Lifeline and Link-Up Marketing and Outreach Measures. Sovernet's plan also describes efforts undertaken by Vermont's Tax Department and Department of Children and Families to provide information on the two programs to potentially eligible Vermonters. Sovernet will ask the Tax Department to add its name to the list of service providers on the Application for Lifeline Telephone Service Credit that is mailed annually to each Vermont household along with the Vermont Personal Income Tax forms and instructions.

Sovernet shall file an amended plan within 30 days of this Order which clearly and expressly states that it will advertise the availability of the Lifeline and Link-Up programs in media of general distribution in the designation area, and in a manner that is reasonably likely to alert qualified individuals to the existence of these programs. Failure to do so will place Sovernet at risk of civil penalties for failure to comply with a Board Order, and at risk of having its ETC designation revoked for failure to comply with a condition of that designation.

Additionally, Sovernet's plan is internally inconsistent on one point. Under the section captioned "Outreach frequency" Sovernet states that it will provide information on these two programs on its residential bills on a semi-annual basis. However, in the closing paragraph of the plan, Sovernet states that the bill notice will be provided only annually. When Sovernet files its amended plan, it shall correct the second reference so that it states that the bill notices will be provided on a semi-annual basis, consistent with its description of the frequency of its outreach efforts.

III. CONCLUSION

With the exception of the Lifeline and Link-Up Marketing and Outreach Measures, Sovernet's compliance filing materials are approved. Within 30 days of the date of this Order, Sovernet shall file an amended plan reflecting the changes described above.

So ORDERED.

Dated at Montpelier, Vermont, this 27th day of October, 2011.

<u>s/James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: October 27, 2011

ATTEST: s/Judith C. Whitney
Deputy Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)